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## FISCAL TOPICS

Fiscal Services Division

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## Vertical Infrastructure Requirement Exemptions

The Rebuild Iowa Infrastructure Fund (RIIF) was created during the 1995 Legislative Session for the purpose of funding public infrastructure projects. The following year, the General Assembly required that all appropriations from the RIIF comply with the definition of vertical infrastructure set in Iowa Code section [8.57\(5\)\(c\)](#). Fiscal Year 1998 was the first year the requirement was in effect. Currently, the definition of “vertical infrastructure” includes:

- |   |   |
|---|---|
| <ul style="list-style-type: none"><li>• Land acquisition and construction,</li><li>• Major renovation and major repair of buildings,</li><li>• Routine, recurring maintenance,</li><li>• All appurtenant structures,</li><li>• Utilities,</li></ul> | <ul style="list-style-type: none"><li>• Site development,</li><li>• Recreational trails,</li><li>• The Renewable Fuels Infrastructure Program, and</li><li>• Debt service payments on academic revenue bonds issued in accordance with Iowa Code chapter <a href="#">262A</a> for capital projects of the Board of Regents.</li></ul> |
|---|---|

Over the years the definition of vertical infrastructure has been amended several times. The following amendments to the definition have been adopted:

- The 2008 Infrastructure Appropriations Act removed funding for the completion of Part III of the Iowa Communications Network from the definition.  
2008 Iowa Acts, chapter [1179](#)
- The 2011 Infrastructure Appropriations Act amended the definition to include debt services payments on academic revenue bonds for Board of Regents capital projects.  
2011 Iowa Acts, chapter [133](#)
- The 2014 Infrastructure Appropriations Act amended the definition to include routine maintenance. Previously, the Iowa Code had explicitly excluded routine maintenance from the definition of vertical infrastructure.  
2014 Iowa Acts, chapter [1136](#)
- The 2017 Infrastructure Appropriations Act amended the definition to include the Renewable Fuels Infrastructure Program.  
[House File 643](#)

Appropriations that do not meet the definition of vertical infrastructure include language that exempts the appropriation from the statutory definition. **Appendix A** reflects total funding amounts that received an exemption from the definition of vertical infrastructure.

Since the definition has been in place, the percentage of appropriations that have not met the definition of vertical infrastructure has ranged from 14.5% to 98.9%, with an average of 46.9%. In 11 of the 19 years reviewed, the amount exempted was between 30.0% and 61.0%. Notably, the percentage of appropriation dollar amounts exempted has ranged between 36.4% and 41.7% in the four most recent years.

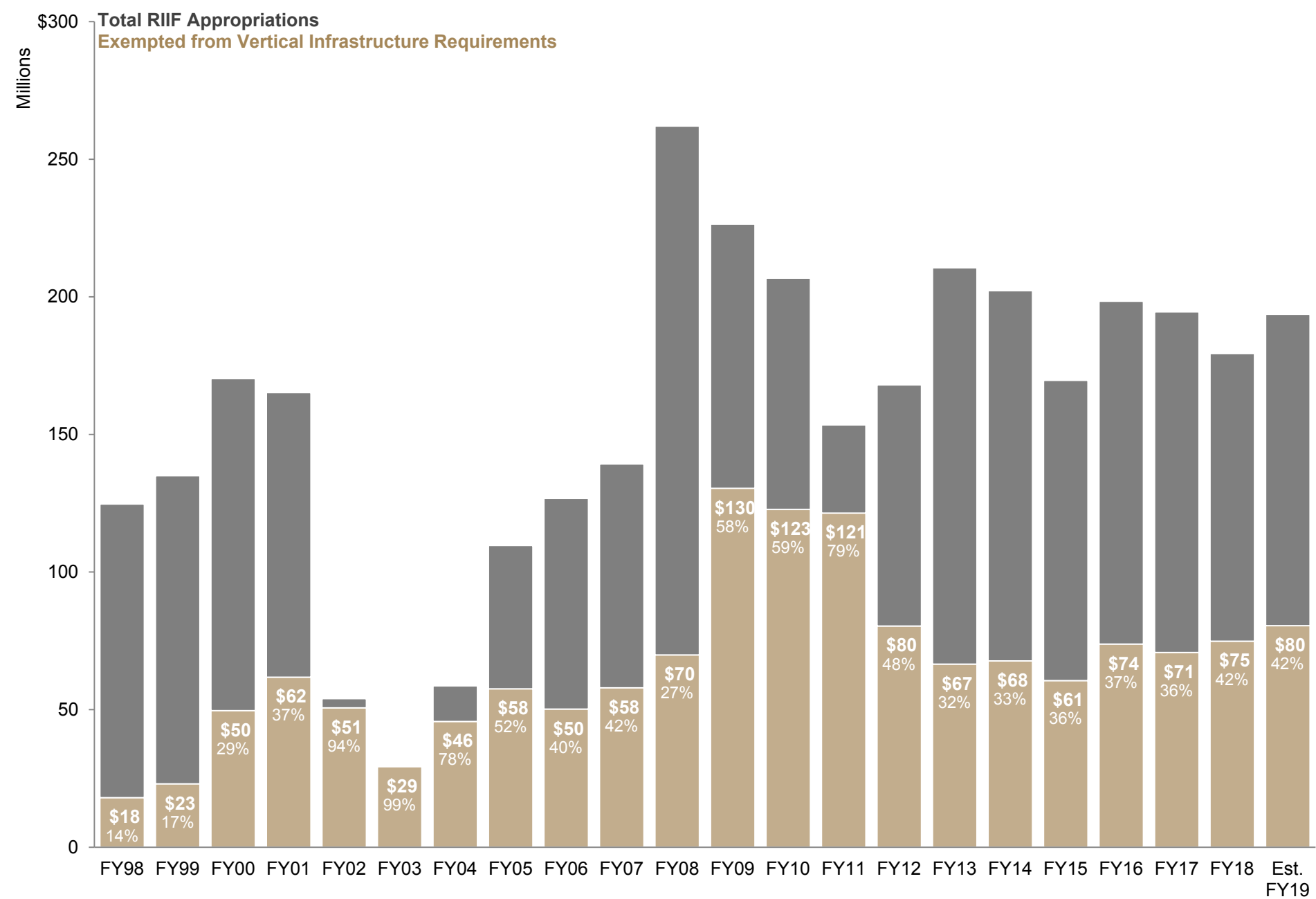
Appropriations that were exempted from the definition of vertical infrastructure from FY 2012 to FY 2019 are included in **Appendix B**. In recent years, major exempted appropriations have included the Environment First Fund, Lake Restoration, the Technology Reinvestment Fund, and the Water Quality Initiative. These four line items account for over 88.5% of the total dollars that received an exemption from the definition of vertical infrastructure in FY 2019.

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### More Information

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Appendix A – Rebuild Iowa Infrastructure Fund



## Appendix B – Appropriations Exempted from Vertical Infrastructure Requirements

	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	Grand Total	
Agriculture and Land Stewardship	\$	1,000,000			\$ 7,120,000	\$ 7,120,000	\$ 7,075,000	\$ 7,075,000	\$ 29,390,000	
Ag Drainage Wells		1,000,000			1,920,000	1,920,000	1,875,000	1,875,000	8,590,000	
Water Quality Initiative					5,200,000	5,200,000	5,200,000	5,200,000	20,800,000	
Corrections	\$	4,500,000	\$ 1,000,000	\$ 200,000					\$ 5,700,000	
Construction Project Management	4,500,000	1,000,000	200,000						5,700,000	
Cultural Affairs	\$	1,450,000	\$ 1,000,000			\$ 250,000	\$ 250,000		\$ 2,950,000	
Grout Museum - Korean War Project						250,000	250,000		500,000	
Planning and Study – Historical Bldg		1,450,000	1,000,000						2,450,000	
Economic Development	\$	15,600,000	\$ 15,600,000	\$ 600,000	\$ 700,000	\$ 800,000	\$ 800,000	\$ 800,000	\$ 1,050,000	\$ 35,950,000
Grow Iowa Values Fund	15,000,000									15,000,000
High Quality Jobs Program		15,000,000								15,000,000
Regional Sport Authority Districts	500,000	500,000	500,000	500,000	500,000	500,000	500,000	500,000		4,000,000
World Food Prize/Ruan Borlaugh Scholar	100,000	100,000	100,000	200,000	300,000	300,000	300,000	300,000		1,700,000
Junior Olympics								250,000		250,000
Education					\$ 4,583,200	\$ 4,107,839			\$ 8,691,039	
ICN Part III & Maintenance & Leases					2,727,000	2,727,000			5,454,000	
IPTV Equipment Replacement					1,256,200	1,017,000			2,273,200	
Statewide Education Data Warehouse					600,000	363,839			963,839	
Homeland Security					\$ 400,000	\$ 400,000			\$ 800,000	
Mass Notification and Emergency Messaging System					400,000	400,000			800,000	
Human Rights					\$ 1,459,474	\$ 1,462,980			\$ 2,922,454	
Criminal Justice Info System Integration (CJIS)					1,300,000	1,345,000			2,645,000	
Justice Data Warehouse					159,474	117,980			277,454	
Judicial Branch								\$ 1,464,705	\$ 1,464,705	
Polk County Justice Center Furn. And Equip.								1,464,705	1,464,705	
Management	\$	48,541,000	\$ 35,000,000	\$ 56,310,000	\$ 42,000,000	\$ 42,095,000	\$ 42,095,000	\$ 52,000,000	\$ 56,400,000	\$ 374,441,000
Electronic Grants Management System					50,000	50,000				100,000
Environment First Fund	33,000,000	35,000,000	42,000,000	42,000,000	42,000,000	42,000,000	42,000,000	42,000,000		320,000,000
Searchable Online Budget and Tax Database					45,000	45,000				90,000
Technology Reinvestment Fund	15,541,000		14,310,000				10,000,000	14,400,000		54,251,000
Natural Resources	\$	7,459,000	\$ 7,000,000	\$ 9,600,000	\$ 13,600,000	\$ 11,350,000	\$ 10,600,000	\$ 9,600,000	\$ 10,100,000	\$ 79,309,000
Floodplain Management	2,000,000									2,000,000
Iowa Parks Foundation				2,000,000						2,000,000
Lake Restoration and Dredging	5,459,000	6,000,000	8,600,000	9,600,000	9,600,000	9,600,000	9,600,000	9,600,000		68,059,000
Water Trails and Low Head Dam Repairs		1,000,000	1,000,000	2,000,000	1,750,000	1,000,000		500,000		7,250,000

## Appendix B – Appropriations Exempted from Vertical Infrastructure Requirements

Office of the Chief Information Officer										\$	1,300,000	\$	1,300,000														
Broadband Improvements											1,300,000		1,300,000														
Public Defense										\$	250,000	\$	250,000	\$	500,000												
Gold Star Museum											250,000		250,000		500,000												
Public Health											\$	500,000	\$	575,000	\$	1,075,000											
M&CH Database Integration													500,000		1,000,000												
Statewide Safety Net Pharmacy													75,000		75,000												
Public Safety											\$	100,000	\$	150,000	\$	4,143,687	\$	2,091,666	\$	6,485,353							
DNA Data Marker															150,000				150,000								
Fire Training Mobile Units													100,000						100,000								
Network Contract															4,143,687		1,351,666		5,495,353								
Tasers																	740,000		740,000								
Regents										\$	1,300,000	\$	3,000,000		\$	430,000			\$	4,730,000							
Commercialization and Research (262B)													3,000,000						3,000,000								
Iowa Flood Center											1,300,000								1,300,000								
IPR - Radio Transmitter															100,000				100,000								
ISU - Vet Lab Cancer Equipment															330,000				330,000								
Secretary of State													\$	684,000	\$	300,000			\$	984,000							
Voter Reg Data Processing															234,000				234,000								
Voter Registration System Update															450,000		300,000		750,000								
Telecom and Tech Comm													\$	2,248,653	\$	1,150,000			\$	3,398,653							
ICN Equipment Replacement															2,248,653		1,150,000		3,398,653								
Transportation										\$	2,000,000	\$	1,500,000	\$	4,000,000	\$	2,000,000	\$	1,500,000	\$	1,000,000	\$	1,000,000	\$	13,000,000		
Railroad Revolving Loan & Grant Fund											2,000,000		1,500,000		4,000,000		2,000,000		1,500,000		1,000,000		1,000,000		13,000,000		
Treasurer												\$	1,000,000		\$	50,000					\$	1,050,000					
Iowa ABLE Savings Plan Trust																50,000					50,000						
Watershed Improvement Review Board																1,000,000					1,000,000						
Veterans Affairs										\$	1,000,000									\$	1,000,000						
Home Ownership Assistance											1,000,000										1,000,000						
Grand Total										\$	80,400,000	\$	66,550,000	\$	67,710,000	\$	60,550,000	\$	73,820,327	\$	70,760,819	\$	74,868,687	\$	80,481,371	\$	575,141,204